

RESOLUTION NO. 2020-66

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING A HOUSING CRISIS FOR THE CITY OF FLAGSTAFF, PRIORITIZING AFFORDABLE HOUSING WITHIN CITY OPERATIONS TO CREATE SAFE, DECENT AND AFFORDABLE HOUSING OPPORTUNITIES FOR ALL COMMUNITY MEMBERS.

RECITALS:

WHEREAS, affordable housing in Flagstaff has been a documented need for more than 50 years and has reached crisis levels in recent years with data showing housing costs pushed higher by limited supply and external demand exceeding the buying and renting power of the local workforce for decades while income has remained stagnant; and

WHEREAS, over the past 10 years, the median sales price of a home rose by 53%, while Area Median Income (AMI) rose by only 14% according to datasets published by the United States Department of Housing and Urban Development (HUD) in 2020 and, according to the Council of Community and Economic Research's Quarter 1, 2020 Cost of Living Index, the cost of housing is 33.5% higher and cost of living is 13.4% higher in Flagstaff compared to national averages; and

WHEREAS, a significant portion of the housing stock in Flagstaff consists of second homes and short-term rentals, thus impacting the availability of housing stock for local households; and

WHEREAS, according to the 2018 American Community Survey and recent data from the 2020 Flagstaff Community Affordable Housing Needs Assessment, 55% of renters and 27% of homeowners (total of 22,373 Flagstaff community members) are living in housing cost burdened households, meaning that households are paying more than 30% of their gross monthly income toward housing costs; and

WHEREAS, in relation to local homeownership, Multiple Listing Service data from the first half of 2020 shows the median sales price of a home in Flagstaff was \$407,500, requiring a household to earn approximately \$86,360 (assuming 30% housing ratio) annually to afford the monthly mortgage payment and have about \$26,000 in funds to contribute toward the down payment and closing costs; and

WHEREAS, in relation to the local rental market, 2020 data from the HUD's Fair Market Rent determination for a 2-bedroom apartment in Flagstaff was \$1,266 per month, which means a household would need to earn \$4,220 per month or \$50,640 per year in gross income to afford the monthly rent; and

WHEREAS, in relation to local homelessness, November 2020 data from the Coconino County Coordinated Entry Front Door program indicates over 689 unique individuals, representing 366 households, are experiencing homelessness in our community, and of these individuals, 155 are chronically homeless; and

WHEREAS, in 2017, 54.6% of respondents to the Economic Collaborative of Northern Arizona's Housing Attainability for the Flagstaff Workforce survey stated that they are considering leaving

Flagstaff because of housing costs and 43.6% plan to leave in the “next few years”; and

WHEREAS, housing opportunities close to employment, activity centers and permanent transit reduces greenhouse gas emissions, furthering goals identified in the City’s Climate Action and Adaptation Plan and Flagstaff’s Regional Plan; and

WHEREAS, Federal and State Fair Housing Laws ensure full and fair access to housing opportunities by protecting individuals from being discriminated against in housing because of race, color, national origin, religion, sex, disability or familial status; and

WHEREAS, the current COVID-19 pandemic illustrates that individuals without stable housing are more vulnerable to poor health and communicable diseases, including COVID-19, and that unhoused people have limited options for safe, sanitary shelter, making an effective response to the deadly virus extremely difficult; and

WHEREAS, the economic crisis, which resulted from COVID-19 business closures, disproportionately impacted lower-income households, which are often one life-event away from eviction and/or foreclosure, causing housing insecurity; and

WHEREAS, housing is healthcare as evidence-based research shows that households with safe, decent and affordable homes are better able to find employment, perform better in school and maintain improved health.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. The City of Flagstaff declares that a housing crisis exists within our City and region and recognizes the need to make housing a leading priority for the organization and community.

SECTION 2. The City of Flagstaff Housing Section, within nine months from adoption of this Resolution and with input from the City’s Housing Commission, will present to City Council for consideration a Housing Plan focused on housing development and preservation within the City for the next 10 years. Plan elements will include, but not be limited to, ways City resources (including land, staff and financial resources) can best be utilized to achieve identified goals. The plan elements will also include ways the City can encourage more economically priced housing construction by the private sector to address Flagstaff’s workforce housing needs and to increase attainable housing opportunities for, and occupied by, local residents. The Plan will set goals that will be reviewed annually in a report to City Council and the community.

SECTION 3. The City of Flagstaff commits to its own citywide prioritization of housing efforts, utilizing the Housing Plan described above as the foundational framework for establishing work programs, prioritizing staff work and allocating necessary funding for its implementation.

SECTION 4. The City of Flagstaff will continue its commitment to further Federal and Arizona Fair Housing laws in all housing-related services and programs, valuing the efforts of those who seek to reduce barriers to full and equal access to housing opportunities, and providing Fair Housing education and resources to the community.

SECTION 5. The City of Flagstaff will create and implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community and combating “Not in My Backyard” opposition to housing and affordable housing.

SECTION 6. The City of Flagstaff will continue to lobby and support federal and state legislation to increase the amount of funding available for the preservation and construction of affordable housing.

SECTION 7. The City of Flagstaff will explore and support additional local funding resources for the creation of affordable housing units and expansion of programs to improve access to housing.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 1st day of December, 2020.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY